

1 Charles R. Ekberg
2 Tereza Simonyan
3 Lane Powell PC
4 1420 Fifth Avenue, Suite 4200
5 Seattle, WA 98111-4200
6 (206) 223-7000
7 (206) 223-7107 Facsimile
8 Attorney for Bitvestment Partners
9 LLC f/k/a Dalsa Barbour LLC

The Honorable Karen A. Overstreet
Chapter 11
EX PARTE

10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

In Re) Case No. 13-19746-KAO
CLI HOLDINGS, INC. dba ALYDIAN,)
Debtor.) *EX PARTE MOTION FOR ORDER
AUTORIZING RULE 2004
EXAMINATION*

COMES NOW Bitvestment f/k/a Dalsa Barbour LLC ("Bitvestment"), a creditor of
the Debtor, by and through its attorneys of record, LANE POWELL PC, Charles R. Ekberg
and Tereza Simonyan, and moves the Court pursuant to Fed. R. Bankr. P. 2004 and 9016 for
an Order directing the Debtor to (i) designate a person, shareholder, officer, director or
managing agent to appear at a mutually agreeable location to be examined under oath at the
date and time prescribed by a subpoena(s) issued pursuant to Fed. R. Bankr. P. 9016; and (ii)
produce documents by such time and date as shall be prescribed by a subpoena(s) issued
pursuant to Fed. R. Bankr. P. 9016, including, without limitation, the documents described on
Exhibit A attached hereto.

The examination shall continue from the time and date set thereafter day-to-day until
it is completed, exclusive of weekends and holidays. The testimony may be recorded
stenographically and/or digitally.

*EX PARTE MOTION FOR ORDER AUTHORIZING RULE 2004
EXAMINATION - 1
128054.0001/5892516.1*

LANE POWELL PC
1420 FIFTH AVENUE, SUITE 4200
SEATTLE, WASHINGTON 98101-2338
206.223.7000 FAX: 206.223.7107

The documents requested hereby relate to the Debtor's assets and liabilities, the Debtor's operations and general financial condition, as well as the administration of the Debtor's bankruptcy estate. Specifically, the requested examination and documents are necessary for Bitvestment to investigate and evaluate its claim against the Debtor's estate, transfers of assets to and from Debtor's estate, the Debtor's pre- and post-petition operations and its financial condition, among other issues.

WHEREFORE, Bitvestment respectfully requests that the Court enter an Order:

- A. Granting this Motion;
- B. Requiring the Debtor, through its designated representative, to be examined under oath pursuant to the subpoena(s) to be issued under Fed. R. Bankr. P. 9016, and to produce any documents requested; and
- C. Granting such other and further relief that the Court deems appropriate.

DATED this 11th day of December, 2013.

LANE POWELL PC

By /s/ Tereza Simonyan

Charles R. Ekberg, WSBA No. 00342
Tereza Simonyan, WSBA No. 41741
Attorneys for Bitvesment Partners LLC,
f/k/a Dalsa Barbour LLC

REYHANI NEMIROVSKY LLP

By: /s/ Bryan Reyhani
Bryan Reyhani, B.R. - 9147*
*Admitted pro hac vice
200 Park Ave., 17th Fl.
New York, NY 10166
Telephone: (12)897-4022
E-mail: bryan@rnlawfirm.com
Attorneys for Bitvesment Partners LLC,
f/k/a Dalsa Barbour LLC

**EX PARTE MOTION FOR ORDER AUTHORIZING RULE 2004
EXAMINATION - 2**
128054.0001/5892516.1

LANE POWELL PC
1420 FIFTH AVENUE, SUITE 4200
SEATTLE, WASHINGTON 98101-2338
206.223.7000 FAX: 206.223.7107

CERTIFICATE OF SERVICE

On December 11, 2013, I caused the foregoing pleading to be electronically filed with the Clerk of the Court using the CM/ECF system, which caused Registered Participants to be served by electronic means as fully reflected on the Notice of Electronic Filing. I also caused a true and correct copy of the foregoing pleading to be served by regular mail, first-class postage prepaid to the following non-ECF registered parties:

N/A

I hereby certify under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

LANE POWELL PC

/s/ Teresa M. Stephenson

Teresa M. Stephenson, Paralegal

***EX PARTE MOTION FOR ORDER AUTHORIZING RULE 2004
EXAMINATION - 3***

LANE POWELL PC
1420 FIFTH AVENUE, SUITE 4200
SEATTLE, WASHINGTON 98101-2338
206.223.7000 FAX: 206.223.7107

EXHIBIT "A"

1. A list of all addresses that Debtor utilizes and has previously utilized to mine, receive, transfer, store, hold, and otherwise control Bitcoins, and copies of any and all records and documents relating to these addresses.
2. A list of all addresses that CoinLab Inc. (“CoinLab”) utilizes and has previously utilized to mine, receive, transfer, store, hold, and otherwise control Bitcoins, and copies of any and all records and documents relating to these addresses.
3. A list of all addresses that Peter Vessenes utilizes and has previously utilized to mine, receive, transfer, store, hold, and otherwise control Bitcoins, and copies of any and all records and documents relating to these addresses.
4. Copies of any and all records and documents relating to the “business loan” extended to the Debtor by XRAY Holdings Limited (“XRAY”), including without limitation, loan documents, corporate resolutions, minutes, correspondence.
5. Copies of all records and documents relating to any and all current and past obligation(s) owed by the Debtor to CoinLab.
6. Copies of any and all records and documents relating to the Debtor’s transfer of 10,000 Bitcoins to CoinLab on or about October 29, 2013.
7. Copies of records of any and all transfers of Bitcoins or cash equivalents from Debtor to other parties, including, but not limited to, CoinLab, XRAY, any and all parties to Bitcoin presale agreements with Debtor, Peter Vessenes, Brian Cartmell, and any other insiders of the Debtor as the terms is defined under §101(31) of the Bankruptcy Code, including without limitations, all communications (including emails, text messages, instant messages, and all other forms of electronic communication), price estimates, agreements, invoices, statements of work, cancelled checks, wire transfer statements, receipts and communications relating to such transfers.
8. Copies of any and all financial statements or other lists of assets, liabilities, and/or income for the Debtor in the two (2) years preceding the Debtor’s bankruptcy filing.
9. Copies of any and all checking and savings registers, bank account statements, and bank books, including savings books and checking account records in the Debtor’s name, or in the name of any individual or entity, that is holding or has held any funds on behalf of the Debtor during the two (2) years preceding the Debtor’s bankruptcy filing.
10. Copies of any and all evidence of indebtedness owing from the Debtors to any third party, including, without limitation, promissory notes, loan agreements, finance agreements

**EX PARTE MOTION FOR ORDER AUTHORIZING RULE 2004
EXAMINATION - 4**
128054 0001/5892516.1

LANE POWELL PC
1420 FIFTH AVENUE, SUITE 4200
SEATTLE, WASHINGTON 98101-2338
206.223.7000 FAX: 206.223.7107

1 and leases and copies of any and all documents evidencing security for any indebtedness, and
2 records of all consideration relating to such indebtedness.

3 11. All documentation evidencing any capital contributions made by the Debtor's
4 shareholders to the Debtor, including, without limitation, bank records, cancelled checks,
wire transfer documentation, deeds, or other conveyance documents.

5 12. Copies of any and all organizational documents of any other business(es) owned or
6 controlled by the Debtor, or in which Debtor has stock or interest of any kind, including, but
7 not limited to, minutes and resolutions, bylaws, shareholder agreements, operating
agreements, articles of incorporation, buy-sell agreements, stock registers, and stock
certificates.

8 13. All documents and communications (including emails, text messages, instant
9 messages, and all other forms of electronic communication) by or between the Debtor and
XRAY, Brian Cartmell and Joel Yarmon relating to transactions with the Debtor.

10 14. Copies of any and all organizational documents of the Debtor, including, but not
11 limited to, minutes and resolutions, bylaws, shareholder agreements, operating agreements,
articles of incorporation, buy-sell agreements, stock registers, and stock certificates.

13 15. Copies of any and all organizational documents of CoinLab, including, but not
14 limited to, minutes and resolutions, bylaws, shareholder agreements, operating agreements,
articles of incorporation, buy-sell agreements, stock registers, and stock certificates.

15 16. Copies of any and all documents concerning or relating to all security measures in
16 place by the Debtor and/or CoinLab to secure any Bitcoins that the Debtor and CoinLab
possess.

17 17. Copies of any and all records in connections with the ownership of Bitcoins by the
18 Debtor, CoinLab and XRAY.

19 18. Copies of any and all records concerning or relating to all Bitcoins mined by the
20 Debtor and/or CoinLab during the two (2) years preceding the Debtor's bankruptcy filing.

21 19. Any and all income tax returns for the Debtor for the two (2) years preceding the
22 Debtor's bankruptcy filing, including without limitations, schedules, amendments,
attachments, exhibits and all other documents relating to such income tax returns.

23 20. Copies of any and all records and documents concerning or relating to the acquisition
24 of any Bitcoin mining equipment or parts for any such equipment during the two (2) years
preceding the Debtor's bankruptcy filing.

25 21. Copies of all documents and communications (including emails, text messages,
26 instant messages, and all other forms of electronic communication) concerning or relating to
any efforts undertaken by the Debtor, or any other person or entity on behalf of the Debtor, to

1 market, sell, list for sale, and otherwise solicit purchase offers for any Bitcoin mining
2 equipment or any parts for such equipment during the two (2) years preceding the Debtor's
bankruptcy filing.

3 22. Copies of all documents relating to any and all deeds, bills of sale, excise tax
4 affidavits, and other transfer documents, not otherwise described herein, relating to Debtor's
ownership of, or interest in, any real or personal property, cash or cash equivalents.

5 23. Copies of all records, documents and correspondence (including emails, text
6 messages, instant messages and any other forms of electronic communications) concerning or
7 relating to the Debtor's agreement with Daniel H. Gallancy, Bitvestment Partners LLC
and/or Dalsa Barbour LLC.

8 24. A list of all current and former employees of the Debtor and CoinLab.

9 25. A list of all current and former board members of the Debtor and CoinLab.

10 26. Copies of all budgets, business plans, due diligence materials, revenue projections
11 and estimates prepared by the Debtor, or any other party on behalf of and for the Debtor,
12 during the two (2) years preceding the Debtor's bankruptcy filing, including without
13 limitation, expense estimates for Bitcoin mining equipment (including components and
14 parts), service and labor, historical estimates for Bitcoin mining capacity that would result
from the above-referenced expenditures, the estimated timing of the availability and
deployment of the mining capacity, and historical estimates for overall industry Bitcoin
mining capacity.

15 27. Copies of all records and documents concerning or related to all Bitcoin pre-sale
16 agreements to which the Debtor is or has been a party, including without limitation, Chris
17 Koss, Bobby Seidensticker III, Barry Silbert, Soule Investment LLC, Jon Chin, Roger Ver,
BTC Agreements.